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MEMORANDUM TO: DEPUTY SECRETARY OF DEFENSE

SUBJECT : Summary of Intelligence Estimates on Intervention by Chinese Communists in the Korean War (12 October - 24 November, 1950).

In compliance with your oral request, herewith is a summary of Estimates made by this agency, under my direction, on the subject of Chinese Communist intervention in Korea. These estimates, except where otherwise noted, had the concurrence of the Intelligence Advisory Committee which is composed of the heads of the intelligence agencies of the government.

1. On 12 October 1950, an estimate on "Critical Situations in the Far East" was prepared at the request of the President for the Wake Island Conference. This estimate stated: "The Chinese Communist ground forces, currently lacking requisite air and naval support, are capable of intervening effectively, but not necessarily decisively, in the Korean conflict.", and: "There are no convincing indications of an actual Chinese Communist intention to resort to full scale intervention in Korea."

After reviewing the factors favoring, and those opposing, Chinese Communist intervention, this estimate concluded that: "While full scale Chinese Communist intervention in Korea must be regarded as a continuing possibility, a consideration of all known factors leads to the conclusion that, barring a Soviet decision for global war, such action is not probable in 1950. During this period, intervention will probably be confined to continued covert assistance to the North Koreans."

2. On 20 October, a personal memorandum was delivered to the President with copies to the Secretaries of State and Defense, which stated: "Since October 13, there have been indications of a possibility that the Chinese Communist government may intend to occupy an area which would secure for their use the Suiho hydroelectric plant and other strategic installations on the Korean side of the Korean-Chinese border. Some of these indications are:

- (1) (This is omitted because of reasons of source security.)
- (2) (This paragraph noted the presence of an unusually large number of fighter aircraft in Manchuria.)

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(3) (This paragraph contained a report [redacted])

[redacted] a decision made to take some military action in North Korea with Chinese Communist troops crossing the border on 18-20 October. [redacted] that this movement would precede any official announcement.)

The memorandum concluded with the following paragraph:

"The estimate on possibility of Chinese Communist intervention in North Korea furnished you just prior to your Pacific trip, listed as one consideration the probable desire of the Chinese Government to control the hydroelectric installations on the Korean side of the Yalu River. It is possible that a limited area occupation for this purpose might be undertaken. If so, it would most probably be preceded or immediately followed by a Peiping announcement (perhaps directed to the United Nations) that in order to protect border installations vital to Manchurian economy, the Chinese Communist forces had taken over these installations pending stabilization of the area. Such a move would be a Communist face-saver and would preserve a power source very necessary to the Manchurian economy."

3. On 6 November 1950, National Intelligence Estimate No. 2 was issued on the subject "Chinese Communist Intervention in Korea". This estimate stated: "Present Chinese Communist troop strength in North Korea is estimated at 30,000 to 40,000.", and: "Present Chinese Communist troop strength in Manchuria is estimated at 700,000. Of this number there are at least 200,000 regular field forces. These troop strengths, added to the forces already in Korea, are believed to make the Chinese Communists capable of: (a) halting further United Nations advance northward, through piecemeal commitment of troops; or, (b) forcing UN withdrawal to defensive positions farther south by a powerful assault."

The estimate continued: "The objective of the Chinese Communist intervention appears to be to halt the advance of United Nations forces in Korea and to keep a Chinese regime in being on Korean soil."

It further stated: "The Chinese Communists thus far retain full freedom of action with respect to Korea. They are free to adjust their action in accordance with the development of the situation. If the Chinese Communists were to succeed in destroying the effective strength of UN forces in northern Korea, they would pursue their advantage as far as possible. If the military situation is stabilized, they may well consider that, with advantageous terrain and the onset of winter, their forces now in Korea are sufficient to accomplish their immediate purposes."

The next to last paragraph of the conclusions of this estimate stated: "The Chinese Communists, in intervening in Korea, have accepted a grave risk of retaliation and general war. They would probably ignore an ultimatum requiring their withdrawal. If Chinese territory were to be attacked they would probably enter Korea in full force."

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And the concluding paragraph of the estimate on 6 November stated: "The fact that both the Chinese Communists and the USSR have accepted an increased risk of a general war indicates either that the Kremlin is ready to face a showdown with the West at an early date or that circumstances have forced them to accept that risk."

Further, in the discussion portion of this estimate published on 6 November 1950, it was stated: "The Chinese Communists could probably make available as many as 300,000 troops within 30 to 60 days for sustained ground operations in Korea and could provide limited air support and some armor."

4. On 24 November 1950, National Intelligence Estimate 2/1, a review of the subject "Chinese Communist Intervention in Korea" in the light of new developments and new information was issued. In its conclusions this estimate stated: "The Chinese Communists will simultaneously:

- a. maintain Chinese-North Korean holding operations in North Korea;
- b. maintain or increase their military strength in Manchuria;
- c. seek to obtain UN withdrawal from Korea by intimidation and diplomatic means.

"In case of failure to obtain UN withdrawal by these means there will be increasing Chinese intervention in Korea. At a minimum the Chinese will conduct, on an increasing scale, unacknowledged operations designed to immobilize UN forces in Korea, to subject them to prolonged attrition, and to maintain the semblance of a North Korean state in being. Available evidence is not conclusive as to whether or not the Chinese Communists are as yet committed to a full-scale offensive effort. Eventually they may undertake operations designed to bring about the withdrawal of UN forces from Korea. It is estimated that they do not have the military capability of driving the UN forces from the peninsula, but they do have the capability of forcing them to withdraw to defensive positions for prolonged and inconclusive operations, which, the Communists might calculate, would lead to eventual UN withdrawal from Korea."

It should be noted that the above mentioned estimate (NIE 2/1) was published on 24 November 1950, just two days before the United Nations offensive into North Korea and the resultant full-scale Chinese Communist intervention.

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S/
WALTER B. SMITH
DIRECTOR

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